

on a foundation of broad cooperation. We must work to expand dialogue, understanding, and interactions between our citizens. This will include programs designed to (1) increase the number of young Saudi students to travel and study in the United States; (2) increase our military exchange programs so that more Saudi officers visit the United States for military education and training; and (3) increase the number of Americans traveling to work and study in the Kingdom. The United States recognizes we must exert great efforts to overcome obstacles facing Saudi businessmen and students who wish to enter the United States and we pledge to our Saudi friends that we will take on this effort. A high-level joint committee has been established to be headed by the Saudi Foreign Minister and the U.S. Secretary of State that will deal with strategic issues of vital importance to the two countries.

NOTE: An original was not available for verification of the content of this joint statement.

Remarks in a Discussion on Strengthening Social Security in Galveston, Texas

April 26, 2005

The President. Thank you all for coming. It is nice to be home. I want to thank the mayor for being here. Lyda Ann Thomas greeted me coming in. I said, "Do you still have Splash Day?" [Laughter] You have to be a baby boomer to know what I'm talking about. [Laughter] I'm not saying whether I came or not on Splash Day. I'm just saying, "Do you have Splash Day?" [Laughter]

It's great to be back in Galveston. What a cool city. Thanks for having me, and thank you all for giving me a chance to come and talk about Social Security. I've got some things I want to say before we get there, and as you can tell, I'm joined by some of our citizens who are willing to discuss some interesting ideas when it comes to making sure the safety net of Social Security is available for younger generations of Americans.

Before I get there, though, Laura sends her love. I know the Vogelpohls are here. There's Kris Anne, sitting over there. She always was my kind of southeast Texas mother,

constantly telling me what to do—[laughter]—like my Houston mother would do. [Laughter] But Laura sends her best to you and Elmer. Thank you all for coming. And we're really pleased to be with a lot of other friends as well. When I come back to Texas, I get a little nostalgic. It reminds me of the days when I was knocking on doors, asking for votes, and a lot of people in this county and around our State were so gracious and kind to me and Laura. I've got to tell you, there's nothing better than coming home to make sure you don't forget the culture from where you came.

I really want to thank Dr. Stobo and the University of Texas Medical Branch for hosting us. This is a fabulous facility. It is—a lot of my friends were trained here. Most of them ended up being pretty good doctors. [Laughter] It is really neat to be back to this facility. And I was talking to Congressman DeLay, who kindly joined us today, and he was saying that this was—this hospital is going to be the Texas center for bioshield research, to help us make sure that—to make sure that our country is well-prepared as we engage in this war on terror. No better place, by the way, to do substantial research than right here at the University of Texas—I used to call it Texas-Galveston; I guess we've got a new fancy name for it—anyway, right here at University of Texas on the island of Galveston. So, Doc, thanks for having me. I appreciate the doctors who are here and the nurses. Thank you for working in medical care.

We got a lot to do in Washington. We've got to make sure the Medicare system functions well. We've got to make sure that we bring electronic records to the health care industry so that it becomes modern, as we deal with patients' needs. We've got to spread health savings account, which empowers consumers to make decisions. And most of all, it seems like to me, one way to send a clear message that we're interested in making sure health care is available and affordable is to pass medical liability reform out of the United States Senate to protect our docs around the country.

And I appreciate the leadership of Congressman Tom DeLay in working on important issues that matter to the country.

We've got us a good medical liability bill out of the House. It's, of course, stuck in the Senate. We've now got us a good energy bill out of the House. And for the sake of our national security and for the sake of our economic security, the United States Senate needs to get an energy bill to my desk as soon as possible.

I also appreciate Kevin Brady joining us as well. Congressman Brady is with us. He's a hard-working Congressman. You still call the Woodlands home, don't you? Yes, Woodlands. I knew him when he was a lowly State rep. [*Laughter*] He knew me when I was a lowly Governor. [*Laughter*] I appreciate all the State and local officials who are here.

I had the honor, when I landed, of meeting Dorothy Paterson. Dorothy is a breast cancer survivor. The reason I bring her up is she is a—she's a volunteer in organizations that promote breast cancer awareness and education. That's important. What else is important is the fact she takes time out of her life to volunteer. The strength of the United States of America lies in the hearts and souls of our citizens. The true strength of this country happens on a daily basis when somebody loves a neighbor just like they'd like to be loved themselves. If you're interested in serving America, if you're interested in helping to change our society, one heart and one soul at a time, volunteer to make a difference in somebody's life just like Dorothy has. Thanks for coming, Dorothy.

Social Security: A lot of people said, "You shouldn't talk about it, Mr. President." Well, first of all, I campaigned on it. I said, "I believe we have a serious problem. Elect me, and I intend to something about it." Secondly, I believe the job of a President is confront problems, not pass them on to future Presidents or future generations. And I see a problem in Social Security, and it has to do with me and guys like Yarbrough. [*Laughter*] We're baby boomers. We're getting ready to retire, and there's a lot of us. As a matter of fact, I believe there's about 40 million retirees today. When we end up retiring, we baby boomers retire, there are going to be 75 million people. There's a bulge of people getting to—getting ready to retire.

And we're living longer, thanks to good medicine, and thanks to making, by the way,

right choices, exercise, moderation, no smoking. We're living longer. And interestingly enough, people ran for office saying, "Vote for me. I'm going to make sure that your generation gets better benefits." And so we're getting better benefits than the previous generation.

So think about that, a lot of people living longer, retiring with better benefits, and fewer people paying into the system. In 1950, 16 workers were paying for every beneficiary. Today, there's 3.3 workers for every beneficiary. Soon there's going to be two workers for every beneficiary. To me, that says we got a problem. And then when you start calculating the math—and our expert here is going to help me on this—you'll find that Social Security—which is not a trust or a savings account; it's a pay-as-you-go system—goes into the red in 2017. That means there's more money coming out than going in.

You see, a lot of folks, I'm sure some right here in this audience, believe Social Security is a system where we take your payroll taxes, and we hold it for you, and then when you retire, we give it back to you. That's not the way it goes. We take your payroll taxes. We pay out the benefits to the current retirees, and with the money left over, we pay—pay for other programs. And there's nothing left but file cabinets with IOUs. And that's how it works.

In 2027, the system is going to be 200 billion a year in the hole, and it gets worse every year from 2017 on. So I see a problem. Interestingly enough, Americans now understand we have a problem. I've been to 23 States explaining the problem. I'm going to continue making sure that the American people understand what is at stake.

A lot of seniors are worried about this topic being discussed. I understand that. They've been told, "You know, somebody is going to take away your check, when it comes to modernizing the system." That's been a part of the political rhetoric for way too long. The good news is, nobody has ever had a check taken away from them yet, and nobody will. If you've retired, if you were born prior to 1950, the system will take care of you. You don't have a thing to worry about. I don't care what the pamphlets say or the radio ads say or the scare tactics say; you're in good

shape. And that's important for a lot of our seniors to hear because they're counting on that Social Security check.

Franklin Roosevelt did a smart thing when he set up the system. It—Social Security has provided an important safety net for a lot of seniors for a lot of years. The problem isn't for today's seniors. The problem is for a younger generation of Americans coming up. They're going to have to pay for people like me who are living longer, who have been promised greater benefits. That's where the problem exists. I like to describe this as a generational issue. You see, once the grandparents understand they're going to get their check and the system will fulfill its promise, the question I get from grandparents is, "What are you going to do about my grandkids?"

And that's the question that now confronts the United States Congress. The people of this country understand we have a problem. And the question confronting the Congress is: Do you have the political will to do something about it? And I'm going to continue traveling this country, insisting that the people who have been given the high responsibility of serving in the House of Representatives and the United States Senate do their duty and make sure the safety net is available—the Social Security safety net is available for younger Americans coming up.

Too much politics in Washington, DC. There's too many people saying, "Well, we can't work with this group because it might help them get an upper hand," or "can't work with that crowd because they might get an upper hand." That's just—you know, it is—it is defeating, self-defeating, to talk like that. We've got to rise above the politics, the zero-sum attitude.

I appreciate the Senate Finance Committee today, by the way, having hearings. Both Republicans and Democrat experts are now testifying that we need to come together to get something done, see. And that's—and we're making progress. If it were easy, it had been done by other Presidents and other Congresses. This is hard work, to get people to do the hard thing in politics. But I'm confident we'll get something done.

And that's why I went in front of the United States Congress at my State of the

Union and said, "All ideas are on the table. If you've got a good idea, bring it forward. I don't care if it's a Republican idea or a Democrat idea, independent idea, Texas idea, any kind of idea. Bring it forward," because now is the time for people to be talking about how they think we can best solve the problem in the long term for a younger generation of Americans.

I say solve it forever, by the way. In 1983, Ronald Reagan and Tip O'Neill sat down and said, "We've got a significant problem. Let us come together to fix it." And they put together what's called a 75-year fix. Here we are, 22 years later, talking about the 75-year fix. In other words, now is the time to fix this permanently.

And as we fix it permanently, I want the—I think the Congress needs to come together and make this a better deal for younger Americans. And what do I mean by that? I mean younger Americans ought to be allowed to take some of their own payroll taxes, some of their own money, and invest it in a savings account, a personal savings account, an account they call their own. And here's why I think it's a vital part of making sure the Social Security system is a better deal for younger Americans.

First of all, in a conservative mix of bonds and stocks, you get a better rate of return on your money than the Federal Government gets for you. And that's important because over time, there's something called the compound rate of interest. In other words, it grows. Your money grows over time. If you hold it in a conservative mix, it grows. For example, if you're a worker making \$35,000 over your lifetime, and your—the Government allows you to take a third of your payroll taxes and sets it aside in a conservative mix of bonds and stocks that earn, say, 4 percent, that money will yield \$250,000 over your lifetime, which is a heck of a good nest egg for a lot of folks. That's money you call your own.

And that nest egg would be a part of a retirement package. The Government is going to be able to afford something for younger Americans when it comes to Social Security. That's part of the debate in Washington. But a nest egg you call your own is a complement to your retirement.

Secondly, I like the idea of people owning something. We want people owning something in America. If you own something, you have a vital stake in the future of your country. If you own your asset, you can pass it on to whomever you choose. We want more people owning assets, more people saying, "I want to pass this on to my son or daughter." I think it will be healthy for our country if we can do that.

Secondly—thirdly, we want a system that makes sure that we don't harm widows. Today if you work all your life and happen to die before 62 and your wife or husband works alongside you, you get survivor benefits when you turn 62 or the benefits from Social Security, which is ever higher, but not both. In other words, if you think about that, somebody is working all their life and they die early, their asset just goes away. The money they've contributed isn't available.

If you have an asset you call your own that you can pass on to whomever you choose, that grows better than the rate that you get from the Government, your spouse and surviving family members will have something to help them through tough times. In other words, ownership has important implications for our society, but it's also got practical implications. It helps families and allows workers to get a better rate of return.

And you've got such a plan here, by the way, a plan where people can watch their own money grow, right here in Galveston County, which we're about to talk about. By the way, this isn't a new idea that I'm talking about; Galveston County, Brazoria County, Matagorda County has got it right here. As a matter of fact, 25 percent of 23 million State and local government employees in America don't take part in the Social Security. They've got a different system. And we're about to talk about the system you've got here. It's important for people to understand there's a different system available.

Secondly, guess who gets to invest in personal retirement accounts in their own retirement funds: Members of the United States Senate and United States House of Representatives. Federal employees have the option of taking some of their money aside, putting it in a conservative mix of bonds and stocks, and watching their own money grow,

to get a better rate of return than that which the Government could get for them.

My attitude and my comment to Members of the United States Congress and Senate: If taking some of your own money and setting it aside in a personal account to get a better rate of return on your money is good enough for you, it's good enough for workers all across America.

Just—let me just give you a sense for the difference between what a worker gets here in Galveston and then a worker would get out of Social Security. If you get a 3.75 percent return, like they guarantee here in Galveston, on your money, and you're a person working 37 years, making about \$25,000 a year, you'd receive \$1,250 a month from the alternate plan now available for workers here, as opposed to \$669 from Social Security. Think about that. That's a difference between a better rate of return on your money over a 37-year period.

Or if you're an employee working for the same amount of time and earning \$75,000, you'd receive \$3,600 a month from the alternative plan they've got here, as opposed to \$1,300 from Social Security.

So I hope you're getting a sense for when I say, "Let's give a better deal for younger workers." And a better deal would not be mandatory by the Federal Government. The better deal would say, "If you so choose, you can take—put aside some of your own money." If that's your desire, you ought to be allowed to take it and set it aside. And so I'm traveling the country making it clear to people that there are better options available than the current Social Security system, a better deal for younger workers. It's all aimed at patching the hole in the safety net for a young generation of Americans coming up.

One of the things I try to do is surround myself with experts. We've got a Ph.D. with us today. Syl, it's good to have you. He is a fellow who's studied the Social Security issue. For those of you who are students, there's an interesting lesson to be learned here. Syl obviously is a really smart guy, Ph.D. I'm a C student—[laughter]—a couple of B's scattered in there. [Laughter] I want you to notice who's the adviser and who's the President. [Laughter]

All right, Syl. With that—with that glowing introduction—[*laughter*—get your mike up so they can hear.

Dr. Sylvester Schieber. Thank you, Mr. President.

[*At this point, Dr. Schieber, vice president of research and information, Watson Wyatt Worldwide, Chevy Chase, MD, made brief remarks.*]

The President. Good job, Syl. Three weeks younger?

Dr. Schieber. I was born on the 24th.

The President. Of July? Yes.

Dr. Schieber. Good month. [*Laughter*]

The President. You don't look a day over 65. [*Laughter*]

Dr. Schieber. I've got a hard job.

The President. That's right, yes. [*Laughter*]

Jim Yarbrough, county judge, right here from Galveston, Texas. Yes. You were sworn in '95, right?

Judge Jim Yarbrough. Yes.

The President. He was sworn in in January of 1995.

Judge Yarbrough. Some people say too long. [*Laughter*]

The President. Not the voters. Thank you for joining us. I've known him for a long time. I got sworn in—Governor in January of 1995, and the State survived—[*laughter*—and so did the county. Thank you for being here.

I was in Ohio recently, and they had a program for their—started off with their colleges to attract professors. And they said, "Well, let's let some of the professors take some of their money and invest it in personal savings accounts." It worked so well for the professors that everybody started asking for the same benefit. In other words, my point is, is that it's not just in Texas that workers are allowed to—Government workers are allowed to set aside money. There's Ohio, and there's a lot of other States as well. Texas is—you've been doing this for how long? Explain the program, if you don't mind.

Judge Yarbrough. Ten years. Well, Mr. President, I've had the good fortune to be county judge for 10 years. And on behalf of all the people of Galveston County, Republicans and Democrats, we appreciate you coming to Galveston.

The President. Thank you, sir.

Judge Yarbrough. We are truly fortunate in Galveston County. We have two retirement plans that our people contribute to.

[*Judge Yarbrough made further remarks.*]

The President. See, it's an interesting concept. Our world has changed a lot since Franklin Roosevelt signed the bill for Social Security. In other words, the government is beginning to trust people more, Galveston County, the county judge sitting here saying, "We want to give people some options." In other words, the government is basically saying, "We trust you to make the right decisions for your family." It's an interesting thought, isn't it, as opposed to saying, "Here's your check." [*Laughter*] It's—and that's an important—[*applause*].

Can you get a pretty good rate of return? They've got, actually, a guaranteed rate of return.

Judge Yarbrough. We guarantee a 3.75 percent rate of return. We've been experiencing 4 or 5 percent over the last several years. So, yes.

The President. That stands in contrast, by the way, between the 1.8 to 2 percent that the Federal Government is getting on your money. And that difference in interest is really important—really important—because it compounds over time, interest does, and it grows. If you're a younger worker—we're about to talk to some younger people—it will grow over time to make sure that you have an asset base.

Let me ask you something. The death benefit—it's interesting—the death benefits in Social Security today, by the way—again, I repeat, if you're married and your husband predeceases you and you're not 62, you get no death benefits. A person could be working in all the time—or the wife could be working and the husband survives—you don't get any death benefits until you turn 62. And then if you happen to be retired and you're getting benefits as a result of your own labor, you don't get both. You don't get your spouse's contributions. You only get your own. It sounds like a lousy deal to me.

How does it work for your—

Judge Yarbrough. For our people, Mr. President, if someone were to die while they

were employed by the county, they would get a life insurance policy 4 times their annual salary that would go to their beneficiary, plus their family would get the money that's in their individual account. If you're a retiree in our plan—again, like Kathryn here, she gets a \$50,000 paid-up policy as part of our alternate plan.

The President. Yes. Let me ask you something. I think a lot of people are worried about Wall Street, hidden fees. You hear talk about what we're—"Of course they want this to happen. These Wall Street people are going to end up benefiting mightily as a result of people." How do you make sure—investing, how do you make sure people are——

Judge Yarbrough. We have contracts in place with, in our case First Financial—Rick and Tolbert, here today—minimal fees. We are investing in Government securities, direct obligation of the U.S. Government, minimal risk. Not going to hit the home run with it, but it's not going to take a step back. And so it's very safe, minimal fees for our employees to participate.

The President. Right. The Thrift Savings Plan the Federal Government has, by the way, has a different little mixture—a different mixture than what he's talking about. They've got bonds and stocks. There are—it's a set plan. People can choose. You can actually begin to mix up your investments if that's what you choose to do.

What's important here is the philosophy behind what Galveston County is doing, the idea of saying, "We can do a—you can own your own asset and watch it grow." We're about to talk to somebody who opens up their monthly statement, which I think is healthy for our country, by the way, but also, you get a better rate of return, and you trust people.

Kathryn Novelli, welcome.

Kathryn Novelli. Thank you.

The President. So, are you retired? You don't look it. I'm just asking, are you? [Laughter]

Mrs. Novelli. Yes. I retired 1 year ago, January, so I've been off a year.

The President. Really? So are you fishing a lot on the piers? [Laughter]

Mrs. Novelli. We haven't gone fishing yet. We've been roaming.

The President. Roaming? [Laughter] That's good. Is your Harley running well? [Laughter]

Mrs. Novelli. It's my Yamaha. [Laughter]

The President. So tell us what you do.

Mrs. Novelli. Okay, I collect my——

The President. You worked? You worked before? Sorry to interrupt.

Mrs. Novelli. Oh yes, I was in the civil department—I was with the county for 21 years, and I had worked before that, so I still get Social Security also.

The President. So you worked in the private sector.

Mrs. Novelli. Yes, I worked 14 years.

The President. And you're getting your Social Security check now.

Mrs. Novelli. Yes, and I'm getting a——

The President. Any doubt you'll get your check? That's good. [Laughter] I'm not teasing on this. It's really important for seniors to understand, you are going to get your check. I know there's a lot of rhetoric out of Washington, a lot of attempts to kind of frighten people. You're going to get your check.

Mrs. Novelli. Yes.

The President. Good. I'm glad you feel that way. It's important for me to know.

Mrs. Novelli. President Bush, if they would listen to you, they would know. [Laughter]

The President. Yes, well—she's doing good. [Laughter]

Mrs. Novelli. I'm sorry.

The President. No, you're doing great. [Laughter] I'm the funny guy, not you. [Laughter] So tell me, so then you worked for the county and you get this——

Mrs. Novelli. I get a check a month from my alternate plan, because that's the way we chose to do it, plus I get my retirement check, and I get my Social Security.

The President. And how do they inform you in the alternate plan? In other words, is there an information process?

Mrs. Novelli. I met with Mr. Newman, Tolbert Newman, and he showed me all the options, either take it all at one time or take it once a month. And this is what we chose. But we left it in for a year because they pay

more interest than the banks or the credit union.

The President. And that interest makes a difference?

Mrs. Novelli. Yes. And while I'm drawing mine monthly, it's still gaining interest in there, the rest of it is.

The President. Don't you think it's healthy to have somebody saying, "My money is gaining interest. I'm watching my money grow." I wish I could—this is an important concept that we're talking about that ought to apply to every single American, not just those who are fortunate enough to work in Galveston County, not just those who are fortunate enough to work for the Federal Government, but every American ought to have the option of watching his or her money grow, get a better rate of return is what we say.

Mrs. Novelli. Plus nobody can touch it.

The President. Yes. You just said something else that was profound. What was it?

Mrs. Novelli. Nobody can touch it but you.

The President. Yes, not me but you.

Mrs. Novelli. No, I know. I know. But me. [Laughter]

The President. Yes, nobody can touch it but you. [Laughter]

Mrs. Novelli. Right, just you.

The President. Yes, that's interesting, isn't it. Syl was talking about the file cabinets—file cabinets of IOUs, basically the asset of the Social Security system—paper. And Kathryn is talking about her retirement plan is based upon something the Government can't take away. It's hers. Nobody can touch it but Kathryn. And that's really an important difference between a modern Social Security system, where we repair the hole in the safety net for future generations of Americans, and today's Social Security system.

Social Security has worked really well for a lot of people, and it's an important, important system. It's not going to work well for younger Americans. And now is the time for the Congress to set aside political differences and come to the table in good faith to solve this problem.

We got some—thank you very much, Kathryn. You did a great job.

We got the Bentleys with us—good job—Chris and Bea Bentley. We'll start with Chris, if that's okay. Chris, you have two jobs?

Christopher Bentley. Yes, sir. I'm currently—I've been employed with Galveston County for 13 years.

The President. Yes.

Mr. Bentley. I've been putting into the alternate plan since I started. It's a great plan. You get back twice what you put into it. You can monitor it. You can manage it. And best of all, like you said, it's locked.

The President. Yes.

Mr. Bentley. Nobody can touch that.

The President. And what's your other job?

Mr. Bentley. Currently, I'm also in the Army National Guard. I'm a—[applause]—thank you. I'm currently deployed with the 36th Infantry Division—

The President. Say that again? Some of us older baby boomers have trouble hearing. [Laughter]

Mr. Bentley. I'm currently deployed with the 36th Infantry Division out of Austin.

The President. Yes.

Mr. Bentley. And we're operating in central Iraq. I'll be back there next week.

The President. So you're home—home on leave?

Mr. Bentley. Yes, sir, I'll be back there next week.

The President. Yes, thanks for serving. Any observations or thoughts?

Mr. Bentley. It just seems like progress is being made, and I got a good bunch of guys. They're doing good things. And every day we go out and do what we do, and we're motivated to do it.

The President. Yes. Send them a message.

Mr. Bentley. Yes, sir.

The President. First, the country is with them, and secondly, that their work is really important to—for peace. This is a mission of spreading freedom, and free societies are peaceful societies. And a free society in the heart of the Middle East will be an amazing legacy for generations to come. And I appreciate their sacrifice.

Mr. Bentley. Yes, sir. Thank you.

The President. All right.

Bea Bentley, how many children you got? Want to go back to Chris? *[Laughter]* She's proud of her man.

Mr. Bentley. Yes.

The President. How many children you got?

Mr. Bentley. We have two children. We have a 4-year-old son named Patrick, and a 3-month-old daughter named Elaine that I just got to meet for the first time.

The President. Really?

Mr. Bentley. Yes, sir.

The President. No wonder you're emotional. *[Laughter]* That's awesome.

Bea Bentley. She was born 2 days after he deployed.

The President. Yes, great. Where was she born?

Mrs. Bentley. Right here at UTMB.

The President. How was the care?

Mrs. Bentley. It was wonderful.

The President. Awesome, isn't it?

Mrs. Bentley. Absolutely wonderful. Everyone here has been wonderful to us.

The President. Congratulations. And you work? What is your job?

Mrs. Bentley. I've been with the county for 13 years. I worked in Judge Yarbrough's office for 8.

The President. That deserves combat pay. *[Laughter]*

Mrs. Bentley. I'm an administrative assistant in his office, and I enjoy working for the county. When I came to work for the county in 1993, the gentleman I came to work for, that was a big selling point for him to get me to come here was there were two retirement plans, and if I stay until I retire, what a huge benefit it would be for me and my family in the end.

The President. It's interesting, isn't it—allow you to watch your own money grow—it becomes a recruiting tool to convince people that this is a good place to work.

Anyway, so you decided to work.

Mrs. Bentley. Yes, sir, I've been very happy here. And I like to—I get my statement every quarter and enjoy seeing my money. You know, I see how much money is in there, what I'm going to get, the county's contribution to that plan.

The President. And how does it come? Does it come by mail? Internet?

Mrs. Bentley. Yes, it comes in the mail. You can—I think—I don't know if you can get it on the Internet yet or not.

The President. Probably can, one of these days. Right, Judge?

Judge Yarbrough. Working on that. *[Laughter]*

The President. Nothing like citizen's participation in government. *[Laughter]* Think about that. You know, there's an interesting notion amongst some—I think it's a dwindling few—that says there's an investor class in America and only a certain person can invest, only a certain type of person. And I—first of all, I can't stand that thought. I think we ought to encourage everybody to be an investor and an owner, not just a few, not just Wall Street or whatever. And here's Bea talking about watching her own money grow. That's a healthy—a healthy society is one in which people have got a stake in the future. In other words, when you watch your money grow or shrink, it tends to make you put people in office that will do a better job of growing the economy, for example.

I'm not putting in words in your mouth, but—*[laughter]*. And so, how hard has it been to become financially literate? That's something we hear, you know, "There's such a—there's financial illiteracy. Therefore, certain people probably shouldn't be allowed to watch their own assets." I mean, that—I presume it's easy to understand the statement and all the different options and bonds and all the fancy words that are thrown in.

Mrs. Bentley. Yes, sir, definitely. I mean, you get your statement every quarter, and you see what your contribution is and the contribution that the county makes, how much you'll make when you retire, if you left today, what you would get when you do retire.

The President. And they calculate the growth, I guess, rate of return.

Mrs. Bentley. Yes, sir, they do. Yes, sir.

The President. Rate of return is an interesting thought. It means, basically, how fast your money is growing.

Mrs. Bentley. Correct. Yes, sir.

The President. And has it—are you—the recruitment tool, has it paid off? Has it turned out to be what you thought it was going to be? In other words, when they—

Mrs. Bentley. Very much so, yes.

The President. Besides his charming personality and stuff. *[Laughter]*

Mrs. Bentley. I've been very fortunate to be in Judge Yarbrough's—

The President. Now, forget that part. I'm talking about the—*[laughter]*—get back to the subject, will you? *[Laughter]*

Mrs. Bentley. Yes, I like to know that my money is going to be there when I retire.

The President. Now, when you retire, can you—what is the idea of—can you leave it to your kids?

Mrs. Bentley. Oh, definitely.

The President. It becomes a part of your asset base, so you get to decide.

Mrs. Bentley. Yes, sir. You know, God forbid something should happen to one of us, our kids will get that money and have, for their education or forever—hopefully, education—to use that. So that's their money. When it's not—when we're gone, it's their money.

The President. Good. See, it's an interesting thought, isn't it? A little different from the system today. You don't hear anybody saying, "Gosh, I'm leaving my Social Security savings account to my son or daughter." There is no Social Security savings account. There's paper in a file cabinet. Hers is in a solid asset. I think it's refreshing for this country to sit around a table with our fellow citizens talking about real assets, something they watch grow.

So I want to thank our panelists. Judge, thanks, thank you. Kathryn, thanks. Who's ever writing your material, send them my way. *[Laughter]* Bentleys, thanks. Thanks for your—both of your service. Syl, thanks for coming.

I hope you've enjoyed this. This is a series of discussions I've had around our country, discussions I'll continue to have. Those of us who've been elected to public office are—have the duty to solve problems. Syl talked about the problem in terms of 2017, 2040. That's not very long—2017 isn't very far down the road. If you've got a 6-year-old child, your child is going to be voting pretty soon. Trust me; I've seen it happen in our family, how the kids grow up faster than you know. And the system starts heading into the

red, and we're going to be confronted—we'll be leaving a generation behind.

Listen, the generation that preceded us baby boomers made a lot of sacrifices and can say they've left behind a better America. They took on the Nazis and our enemies, worked hard, built a fabulous country. Now it's our generation's time to lead and leave behind a better America. That's the calling of this generation.

And I am confident we'll get something done in Washington, DC. I'm confident because eventually the voice of the people will reach and penetrate the halls of the House and Senate. They're going to say, "We have a serious problem. Why aren't you doing something about it?"

I look forward to doing something about it with people of both political parties, to permanently solve the Social Security system once and for all, and then we can say we did our duty.

Thanks for coming.

NOTE: The President spoke at 12:33 p.m. in the William C. Levin Hall at the University of Texas Medical Branch. In his remarks, he referred to Mayor Lyda Ann Thomas of Galveston, TX; Dr. John D. Stobo, president, University of Texas Medical Branch; and Richard Gornto, president, and Tolbert Newman, vice president, First Financial Benefits, Inc.

Remarks to the Small Business Administration's National Small Business Week Conference

April 27, 2005

Thanks for the warm welcome. I appreciate such a generous welcome. Marianne, thank you for your introduction, and congratulations on being the Small Business Person of the Year. You had some pretty stiff competition. *[Laughter]* I appreciate the courage that Marianne has shown and her determination to succeed. She is proof that the entrepreneurial spirit in America is really strong.

I want to thank Hector Barreto, the SBA Administrator. I appreciate the fine job he's done. It was my honor to meet the—some of the State Small Business Person of the Year honorees. Congratulations. I appreciate